

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO ALLEGED UNAUTHORIZED)	
RATES AND SERVICES OF AMERICALL SYSTEMS)	
OF LOUISVILLE, INC.)	CASE NO.
)	90-026
)	
)	
ALLEGED VIOLATION OF KRS CHAPTER 278)	

O R D E R

On February 9, 1990, the Commission initiated an investigation into the provision of unauthorized rates by AmeriCall Systems of Louisville, Inc. ("AmeriCall Systems"). AmeriCall Systems was ordered to appear and show cause why it should not be penalized pursuant to KRS 278.990 for failure to comply with KRS 278.160. After much investigation, a Staff Audit Report was filed into the record of this proceeding. An informal conference for the purpose of settlement was held on January 7, 1992. The proposed Settlement Agreement, attached hereto and incorporated herein as Appendix A, was filed into this record on February 14, 1992. The settlement expresses AmeriCall System's and Staff's agreement on resolution of all issues in this proceeding.

In determining whether the results of the Settlement Agreement are in the public interest and are reasonable, the Commission has taken into consideration the steps taken by AmeriCall Systems to remediate the violations of KRS 278.160. A

review of the provisions of the Settlement Agreement reflect that AmeriCall Systems agrees that all intrastate sales will be only at tariffed rates or pursuant to special contracts. In addition, AmeriCall Systems will pay a \$2,000 forfeiture within 10 days of the date of this Order.

After consideration of the proposed Settlement Agreement and being otherwise sufficiently advised, the Commission finds that the proposed Settlement Agreement is in accordance with the law and does not violate any regulatory principal. This Settlement Agreement is the product of negotiations between Staff and AmeriCall Systems, with all parties having been invited to participate, is in the public interest, and is a reasonable resolution of this case.

IT IS THEREFORE ORDERED that:

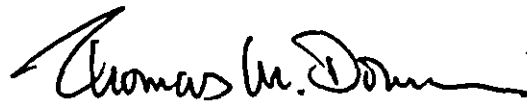
1. The Settlement Agreement is hereby adopted and approved in its entirety as a reasonable resolution to the issues in this case. AmeriCall Systems shall adhere to and comply with all provisions of the Settlement Agreement.

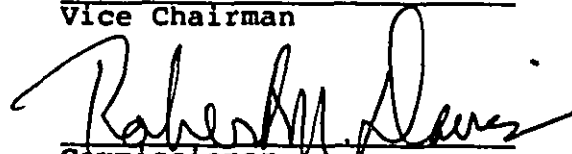
2. Within 20 days of the date of this Order, AmeriCall Systems shall file all necessary modifications to its tariff, with an effective date of February 14, 1992, the date the Settlement Agreement was entered.

Done at Frankfort, Kentucky, this 28th day of February, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

COMMONWEALTH OF KENTUCKY

FEB 14 1992

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ALLEGED VIOLATION OF KRS CHAPTER 278)

SETTLEMENT AGREEMENT

1) This agreement is entered this 12th day of February, 1992 by and between AmeriCall Systems of Louisville ("AmeriCall") and the staff of the Public Service Commission of Kentucky.

2) Whereas, the Commission initiated an investigation on February 9, 1990 into the provision of unauthorized rates by AmeriCall and ordered AmeriCall to appear at a hearing and show cause why it should not be penalized pursuant to KRS 278.990 for failure to comply with KRS 278.160 or required to refund all moneys collected for the provision of intrastate service or both. By Order dated April 20, 1990, the hearing was rescheduled in order for the Commission staff to perform an audit. By Order dated May 8, 1990, the hearing was postponed indefinitely to allow completion of the staff audit report. By Order dated January 18, 1991, the hearing was rescheduled for February 6, 1991. By Order dated January 31, 1991, the hearing was again cancelled and set for an informal conference. On October 21, 1991, the staff report was filed. By letter dated October 21, 1991 the Commission allowed AmeriCall to request a hearing or informal settlement conference.

The settlement conference was requested and was held on January 7, 1992.

3) Whereas, AmeriCall and the Commission staff believe it is desirable to enter into a settlement agreement concerning the issues raised by this proceeding. Now, therefore, AmeriCall and the Commission staff agree that in return for waiving its right to a public hearing and in exchange for an Order dismissing, in its entirety, this investigation:

- A) AmeriCall agrees that future intrastate sales in Kentucky will be only at tariffed rates or pursuant to special contracts;
- B) For all AmeriCall customers or prospects who ask AmeriCall to respond to a non-tariffed rate or discount offered by a competitor, AmeriCall agrees to inform them about the applicability of tariffed rates and the process for customers to review the tariff;
- C) The Commission staff agrees to make a good faith effort to give expedited review to formal complaints from AmeriCall concerning customers or prospects who are allegedly solicited with off-tariff rates or discounts;
- D) AmeriCall will modify its tariff to include the rate plans and discounts in effect at the signing of this agreement. These customers

will be grandfathered by making the additional obsolete tariff pages effective as of the date this agreement is signed; and

- E) AmeriCall agrees to pay a \$2,000 forfeiture within ten days of the date of an order accepting the settlement agreement. Payment will be made by company check made payable to Treasurer, Commonwealth of Kentucky. Said check shall be mailed to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, Frankfort, Kentucky 40601.

4) This agreement is subject to the approval of the Commission. The Commission staff agrees to recommend to the Commission that this agreement be approved and this proceeding be closed and removed from the Commission's Docket.

5) Approval of this agreement constitutes full satisfaction of any penalties or sanctions against AmeriCall arising out of the alleged violations which are part of this proceeding.

6) If the Commission fails to accept and approve the agreement in its entirety, this agreement shall not be binding on any signatory.

7) If the Commission accepts and approves this agreement in its entirety and enters an order in this proceeding to that effect, AmeriCall shall not apply for rehearing in this proceeding or bring

an action for review of the Commission's Order.

IN WITNESS WHEREOF, AmeriCall and the Commission staff have executed this agreement through their duly authorized attorneys.

Agreed to by:

AMERICALL SYSTEMS OF LOUISVILLE

By:

Douglas F. Brent

February 12, 1992

KENTUCKY PUBLIC SERVICE COMMISSION STAFF

By:

Amy E. Dougherty

February 14, 1992

Have seen:

SOUTH CENTRAL BELL TELEPHONE COMPANY
(Intervenor)

By:

Creighton E. Mershon, Sr.

February 13, 1992